

Business Incentive Program

Last Updated Wednesday, 06 September 2006

City Council approves pilot business incentive program – Sept. 5, 2006

At its September 5 meeting, City Council approved an ordinance to establish a pilot business incentive rebate program. This pilot program is aimed primarily at encouraging the growth and retention of homegrown companies in Boulder and is flexible enough to allow for recruitment of companies deemed a “perfect fit” for the community. The pilot program funding of \$850,000, budgeted over the fourth quarter of 2006 and 2007, comes from the city of Boulder’s economic vitality fund. Four approved program elements encourage and help primary employers to invest in Boulder by upgrading their facilities, equipment or the skills of their people. Primary employers, as defined in the ordinance, come from a variety of sectors including manufacturing, natural products, software, advertising, consulting and many others. The key characteristic of a primary employer is that at least 75 percent of revenues are derived from outside Boulder County. They can be large companies with many employees or small firms with just two staff members. The four business incentive program elements are:

1. Flexible Rebate Program

Under this program, the City Manager along with senior Economic Vitality staff has the authority to negotiate a specific incentive package to meet a company’s specific needs. This program is reserved for high impact primary employers. To maximize flexibility and impact, it covers a wide range of fees and taxes charged by the city including permit and development review fees and equipment and construction use taxes. Under this program, the employer will not be eligible for a rebate until they have made their investment and paid the applicable taxes or fees to the city. To ensure that rebate recipients are contributing to a socially sustainable community, City Council adopted guidelines. In order to qualify for consideration under the flexible rebate program, companies will have to verify compliance with at least three of the five guidelines.

Offering health insurance to all full-time employees. At a minimum, this should include catastrophic and major medical coverage.

Promoting a diverse workforce through either hiring practices or diversity training.

Supporting the local non-profit sector financially or with staff volunteer time.

Paying average wages above the Colorado average of \$51,022.

Providing dependent care assistance to employees at the rate of at least \$50 per month.

This program has a budget cap of \$500,000 during the pilot program.

2. Employee Training Assistance

This program will provide up to \$1,000 in matching funds per primary employer for qualified workforce improvement training. This program will cover training which includes classes and programs provided by institutions and organizations such as: University of ColoradoNaropa UniversitySmall Business Development CenterBoulder Innovation CenterIntercambio de ComunidadesBoulder Public Library The budget for this program is \$50,000 during the pilot program.

3. Owner Occupied Loan Pool

This program, beginning in January 2007, creates a loan pool dedicated to owner occupied real estate. Investors will include the city of Boulder and local banks. Administered by the Colorado Enterprise Fund, the loan pool will be used to lower the down payment for owner-occupied real estate to five percent for buildings purchased in the city of Boulder. The program will be limited to primary employers who purchase or build a facility in the city of Boulder primarily for their own use. Loans would be made in conjunction with the SBA’s 504 loan program. The 2007 budget for this program is \$300,000.

4. Parks and Recreation Employee Discount Program

Under this program, all employees of businesses located within the city of Boulder will receive the resident pricing on annual and multi-use passes at city of Boulder Recreation Centers, the Boulder Reservoir, and outdoor pools. Current pricing as of September 2006 is shown below:

Boulder Resident

Non-Resident

Rec. Center Annual Pass

\$455

\$569

Reservoir Annual Pass

\$65

\$80

Rec. Center 10 Visit Pass

\$54

\$56

Rec. Center 20 Visit Pass

\$102

\$107

Rec. Center 40 Visit Pass

\$180

\$196

Residents and non-residents currently pay the same fee for daily drop-in usage at the recreation centers and Boulder Reservoir, as well as the same fees at Flatirons Golf Course. The discount program does not extend to recreation classes and lessons.

For more information about the pilot business incentive program or to schedule a presentation to your business organization, contact the city's Business Liaison Liz Hanson at (303) 441-3287.